

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 RATE OF RETURN REPORT SUMMARY
 For the 12 Months Ending September 30, 2021

SCHEDULE 1

	(1) ACTUAL PER BOOKS	(2) FPSC ADJUSTMENTS	(3) FPSC ADJUSTED	(4) PRO FORMA ADJUSTMENTS	(5) PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 16,134,976	\$ (532,239)	\$ 15,602,737	\$ 1,139,750	\$ 16,742,487
AVERAGE RATE BASE	\$ 292,716,099	\$ 391,189	\$ 293,107,289	\$ (21,180,351)	\$ 271,926,937
AVERAGE RATE OF RETURN	5.51%		5.32%		6.16%
II. YEAR-END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 16,134,976	\$ (511,642)	\$ 15,623,334	\$ 1,139,750	\$ 16,763,083
YEAR-END RATE BASE	\$ 302,965,299	\$ 946,018	\$ 303,911,317	\$ (20,610,476)	\$ 283,300,841
YEAR-END RATE OF RETURN	5.33%		5.14%		5.92%
III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)			IV. EARNED RETURN ON EQUITY (FPSC ADJUSTED BASIS)		
LOW	5.40%		A.	INCL ACQUISITION ADJUSTMENT	9.66%
MIDPOINT	5.81%		B.	EXCL ACQUISITION ADJUSTMENT	11.92%
HIGH	6.23%				

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Michelle D. Napier
 Director - Regulatory Affairs Distribution

 Signature

 Date

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 AVERAGE RATE OF RETURN
 For the 12 Months Ending September 30, 2021
 RATE BASE

SCHEDULE 2
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	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	PLANT IN SERVICE	NET PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
PER BOOKS	\$ 390,479,571	\$ (97,793,701)	\$ 292,685,869	\$ -	\$ 5,152,687	\$ 297,838,556	\$ (5,122,457)	\$ 292,716,099
FPSC ADJUSTMENTS:								
1) ELIMINATIONS TO NON-UTILITY MATERIALS	\$ -	\$ -	\$ -			\$ -	\$ 519,087	\$ 519,087
2) ELIMINATE GOODWILL	\$ (2,469,682)	\$ -	\$ (2,469,682)			\$ (2,469,682)		\$ (2,469,682)
3) FLEX RATE PLANT	\$ (1,020,000)	\$ 146,000	\$ (874,000)			\$ (874,000)		\$ (874,000)
4) ELIM. NON-UTILITY PLANT	\$ (3,703,776)	\$ 1,308,416	\$ (2,395,360)			\$ (2,395,360)		\$ (2,395,360)
5) ELIMINATE UNDER-RECOVERIES	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
6) OUT OF PERIOD ADJUSTMENT	\$ -	\$ 75	\$ 75			\$ 75	\$ -	\$ 75
7) ELIMINATE DEFERRED RATE CASE EXPENSE						\$ -	\$ -	\$ -
8) ELIMINATE DEF. ENVIRONMENTAL COSTS						\$ -	\$ 5,611,069	\$ 5,611,069
TOTAL FPSC ADJUSTMENTS	\$ (7,193,458)	\$ 1,454,491	\$ (5,738,967)	\$ -	\$ -	\$ (5,738,967)	\$ 6,130,156	\$ 391,189
FPSC ADJUSTED	\$ 383,286,113	\$ (96,339,210)	\$ 286,946,903	\$ -	\$ 5,152,687	\$ 292,099,590	\$ 1,007,699	\$ 293,107,289
			\$ -			\$ -		\$ -
ADJUSTED PROFORMA ADJUSTMENTS	\$ 383,286,113	\$ (96,339,210)	\$ 286,946,903	\$ -	\$ 5,152,687	\$ 292,099,590	\$ 1,007,699	\$ 293,107,289
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 13,012,142	\$ (21,180,351)			\$ (21,180,351)		\$ (21,180,351)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 13,012,142	\$ (21,180,351)	\$ -	\$ -	\$ (21,180,351)	\$ -	\$ (21,180,351)
PRO FORMA ADJUSTED	\$ 349,093,620	\$ (83,327,069)	\$ 265,766,552	\$ -	\$ 5,152,687	\$ 270,919,239	\$ 1,007,699	\$ 271,926,937

FLORIDA PUBLIC UTILITIES COMPANY
 NATURAL GAS
 YEAR END RATE OF RETURN
 For the 12 Months Ending September 30, 2021
 RATE BASE

SCHEDULE 3
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	(1) PLANT IN SERVICE	(2) ACCUMULATED DEPRECIATION & AMORTIZATION	(3) PLANT IN SERVICE	(4) NET PROPERTY HELD FOR FUTURE USE	(5) CONSTRUCTION WORK IN PROGRESS	(6) NET UTILITY PLANT	(7) WORKING CAPITAL	(8) TOTAL RATE BASE
PER BOOKS	\$ 406,283,985	\$ (101,753,098)	\$ 304,530,888	\$ -	\$ 6,047,899	\$ 310,578,787	\$ (7,613,488)	\$ 302,965,299
FPSC ADJUSTMENTS:								
1) ELIMINATIONS TO NON-UTILITY MATERIALS	\$ -	\$ -	\$ -			\$ -	\$ 693,452	\$ 693,452
2) ELIMINATE GOODWILL	\$ (2,469,682)	\$ -	\$ (2,469,682)			\$ (2,469,682)	\$ -	\$ (2,469,682)
3) FLEX RATE PLANT	\$ (1,020,000)	\$ 171,500	\$ (848,500)			\$ (848,500)	\$ -	\$ (848,500)
4) ELIM. NON-UTILITY PLANT	\$ (3,437,871)	\$ 1,397,550	\$ (2,040,321)			\$ (2,040,321)	\$ -	\$ (2,040,321)
5) ELIMINATE UNDER-RECOVERIES	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
6) OUT OF PERIOD ADJUSTMENT	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
7) ELIMINATE DEFERRED RATE CASE EXPENSE	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
8) ELIMINATE DEF. ENVIRONMENTAL COSTS	\$ -	\$ -	\$ -			\$ -	\$ 5,611,069	\$ 5,611,069
TOTAL FPSC ADJUSTMENTS	\$ (6,927,553)	\$ 1,569,050	\$ (5,358,503)	\$ -	\$ -	\$ (5,358,503)	\$ 6,304,521	\$ 946,018
FPSC ADJUSTED	\$ 399,356,432	\$ (100,184,047)	\$ 299,172,385	\$ -	\$ 6,047,899	\$ 305,220,284	\$ (1,308,967)	\$ 303,911,317
			\$ -			\$ -		\$ -
ADJUSTED	\$ 399,356,432	\$ (100,184,047)	\$ 299,172,385	\$ -	\$ 6,047,899	\$ 305,220,284	\$ (1,308,967)	\$ 303,911,317
PROFORMA ADJUSTMENTS								
ELIM. ACQUISITION ADJUSTMENT	\$ (34,192,493)	\$ 13,582,017	\$ (20,610,476)			\$ (20,610,476)		\$ (20,610,476)
ELIM. REG ASSET-TRNSCTN & TRNSITN CSTS								\$ -
TOTAL PRO FORMA ADJUSTMENTS	\$ (34,192,493)	\$ 13,582,017	\$ (20,610,476)	\$ -	\$ -	\$ (20,610,476)	\$ -	\$ (20,610,476)
PRO FORMA ADJUSTED	\$ 365,163,939	\$ (86,602,030)	\$ 278,561,909	\$ -	\$ 6,047,899	\$ 284,609,808	\$ (1,308,967)	\$ 283,300,841

AVERAGE	ADJUSTMENTS						RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE		COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 121,884,589		\$ 121,884,589	\$ 1,454,032	\$ (2,469,682)	\$ 120,868,939	41.24%	9.85%	4.06%	10.85%	4.47%	11.85%	4.89%
LONG TERM DEBT - CU	\$ 88,444,137		\$ 88,444,137	\$ 1,055,102		\$ 89,499,239	30.54%	3.61%	1.10%	3.61%	1.10%	3.61%	1.10%
SHORT TERM DEBT	\$ 29,484,467		\$ 29,484,467	\$ 351,737		\$ 29,836,204	10.18%	1.67%	0.17%	1.67%	0.17%	1.67%	0.17%
LONG TERM DEBT - FC	\$ -		\$ -	\$ -		\$ -	0.00%	18.30%	0.00%	18.30%	0.00%	18.30%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$ 8,691,783		\$ 8,691,783			\$ 8,691,783	2.97%	2.42%	0.07%	2.42%	0.07%	2.42%	0.07%
DEFERRED INCOME TAXES	\$ 44,211,124		\$ 44,211,124			\$ 44,211,124	15.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -		\$ -			\$ -	0.00%	5.33%	0.00%	5.74%	0.00%	6.16%	0.00%
TOTAL AVERAGE	\$ 292,716,100	\$ -	\$ 292,716,100	\$ 2,860,871	\$ (2,469,682)	\$ 293,107,289	100.00%		5.40%		5.81%		6.23%

YEAR-END	ADJUSTMENTS						RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	PER BOOKS	NON-UTILITY	ADJUSTED BOOKS	PRO-RATA	SPECIFIC	BALANCE		COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
COMMON EQUITY	\$ 128,295,015		\$ 128,295,015	\$ 1,761,578	\$ (2,469,682)	\$ 127,586,911	41.98%	9.85%	4.14%	10.85%	4.56%	11.85%	4.97%
LONG TERM DEBT - CU	\$ 87,641,673		\$ 87,641,673	\$ 1,203,381		\$ 88,845,053	29.23%	3.70%	1.08%	3.70%	1.08%	3.70%	1.08%
SHORT TERM DEBT	\$ 32,827,447		\$ 32,827,447	\$ 450,743		\$ 33,278,190	10.95%	1.51%	0.17%	1.51%	0.17%	1.51%	0.17%
LONG TERM DEBT - FC	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SHORT TERM DEBT - REFINANCED LTD	\$ -		\$ -	\$ -		\$ -	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CUSTOMER DEPOSITS	\$ 8,840,680		\$ 8,840,680			\$ 8,840,680	2.91%	2.38%	0.07%	2.38%	0.07%	2.38%	0.07%
DEFERRED INCOME TAXES	\$ 45,360,484		\$ 45,360,484			\$ 45,360,484	14.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TAX CREDITS - WEIGHTED COST	\$ -		\$ -			\$ -	0.00%	5.39%	0.00%	5.81%	0.00%	6.22%	0.00%
TOTAL YEAR-END	\$ 302,965,298	\$ -	\$ 302,965,298	\$ 3,415,702	\$ (2,469,682)	\$ 303,911,318	100.00%		5.46%		5.88%		6.29%